SINGLE PROCESS INITIATIVE (SPI)
DoN Training Module 1:
Introduction to SPI

SPI-What is it?

"Block Change to management and manufacturing requirements of existing contracts on a facility-wide basis, to unify management and manufacturing requirements within a facility, wherever such changes are technically acceptable to the Government."

Dr. William Perry
6 DEC 95

SPI-What is it? (con't)

"Replacement of multiple Government-unique management and manufacturing systems with common facility-wide systems should, in the long run, reduce the costs to both our contractors and the DoD."

Dr. Paul Kaminski
8 DEC 95

DoN SPI ORGANIZATION OVERVIEW

DCMC/INDUSTRY
- SPI policy coordination
- Govt. /Industry Workshop support
- Information exchange

PEO/SYSCOM/DRPMs
- Provides SPI resources
- Identifies & empowers CTLs
- Provides admin. support

ARO
- Provides guidance to DoN personnel involved in Block Change Process
- Develops DoN training and implementation strategy for SPI
- Develops DoN SPI vision and mission objectives

DoN Command POCs
- Supports ARO in development of SPI policy & implementation
- Supports SPI workshops

Component team leaders
- Coordinates consensus for process approval among all affected program offices

Dotted line connections denote ARO relationships which have been established since SPI has been initiated, but are not mandated by DoN SPI policy. Solid line connections denote ARO relationships delineated by DoN policy.

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Key Player Roles

•Administrative Contracting Officer (ACO)-Primary government administrator responsible for coordination and interface with service and industry reps

– Organize and chair management council meetings for review of proposed concept paper technical, risk, cost, and impact factors

•PEO/PM/SYS COMMANDS- Responsible for ensuring that adequate resources are available to facilitate Block Change Process

– Identify and empower component team leaders
– Provide technical and administrative support for Block Change Process

Key Player Roles

- **Component Team Leader (CTL)** - Represents the DoN customer with authority to make decisions on all issues regarding approval of proposed SPI concepts
  - Responsible for coordinating and facilitating consensus among all affected programs and obtaining all necessary programmatic authorizations

- **Acquisition Reform Office (ARO)**- Intermediary program support
  - Provides guidance to DoN personnel involved in Block Change Process
  - Develops training and implementation strategy for DoN SPI
  - Develops DoN SPI vision and mission objectives

- **Acquisition Reform Executive (ARE)**- Block Change Administrative Support
  - Develops SPI policy
  - Resolves administrative/technical Block Change Process issues

- **Service Acquisition Executive (SAE)**- Executive Level SPI Support
  - Inter-service coordination of SPI policy
  - Resolves Block Change Process problems that are beyond the scope of ARE

How to Get Started

1. Contractor explores the viability of proposed change through communicating with
   - DoN customer
   - ACO
   - Defense Contract Audit Agency (DCAA)
   - DCMC Contract Administration Office (CAO)
   - Related Prime/Subcontractor Program Office representatives

2. Contractor prepares "concept paper" which includes the following information:
   - Contractual requirement to be replaced or modified
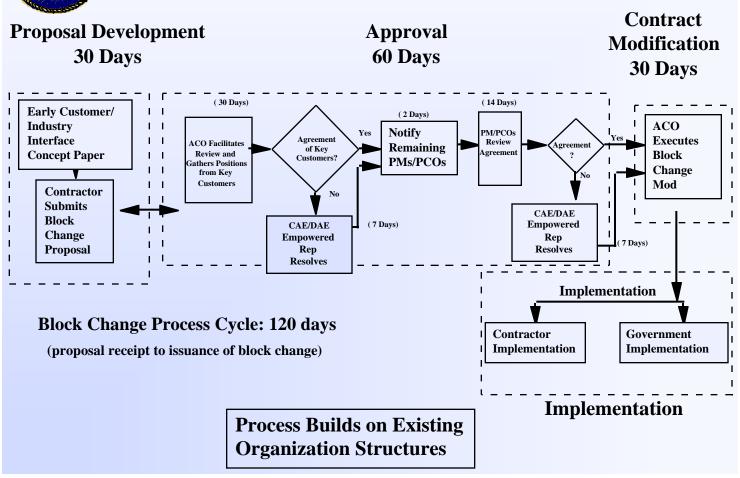   - All other contractors (Prime /Sub) affected by MOD

How to Get Started

- – Projected cost savings (consideration) and "non-monetary" benefits of proposed MOD
- – Metrics to measure monetary/non-monetary benefits
- – Impact on existing contracts and assessment of future contracts

3. Submit concept paper to ACO (Management Council)

- – ACO organize and chair Management Council Meeting to include all contractors (Prime/Sub), service representatives (CTLs from Navy/Army/Air Force as needed) required to assess proposed contractor concept paper (proposed process change)

4. Participate in 120 day block change process
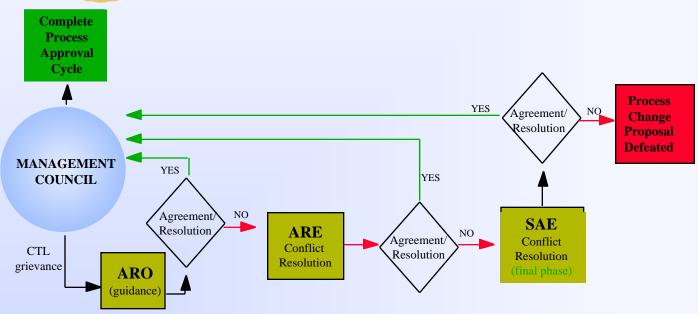- – Expedite actions to meet 120 day approval cycle

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Block Change Process

Proposal Development
30 Days

Approval
60 Days

Contract Modification
30 Days

(30 Days)

Early Customer/ Industry Interface Concept Paper

Contractor Submits Block Change Proposal

ACO Facilitates Review and Gathers Positions from Key Customers

Agreement of Key Customers?

Yes

No

CAE/DAE Empowered Rep Resolves

(7 Days)

(2 Days)

Notify Remaining PMs/PCOs

(14 Days)

PM/PCOs Review Agreement

Agreement ?

Yes

No

CAE/DAE Empowered Rep Resolves

(7 Days)

ACO Executes Block Change Mod

Implementation

Contractor Implementation

Government Implementation

Implementation

Block Change Process Cycle: 120 days
(proposal receipt to issuance of block change)

Process Builds on Existing Organization Structures

SPI Grievance Resolution Process

Complete Process Approval Cycle

MANAGEMENT COUNCIL

CTL grievance

ARO (guidance)

Agreement/ Resolution — YES / NO

ARE Conflict Resolution

Agreement/ Resolution — YES / NO

SAE Conflict Resolution (final phase)

Agreement/ Resolution — YES / NO

Process Change Proposal Defeated

- CTL has authority to challenge approval of process change if it adversely impacts safety, performance, technical, or other factors which puts the government at risk

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DoN SPI Goals
(SHORT TERM)

- Educate buying activities/ industry to the benefits of SPI through:
  - Workshops
  - Roadshows
  - Formalized Training

- Eliminate occurrence of reviewing and approving previously approved process changes (duplication of effort)

- Allow contractors the freedom to use best practices/ manufacturing techniques in development and delivery of Government procured items

- Progress towards development and use of performance based specifications

DoN SPI Goals
(Long Term)

- Change acquisition community paradigm from "business as usual" to new methodologies (initiatives) sponsored by DoD Acquisition Reform agents

- Complete transition to performance and commercial specifications in "all" DoN acquisitions

- Develop an acquisition "partnership" with other Government agencies/services and Industry to establish and maintain an efficient acquisition infrastructure which delivers quality goods and services at a lower cost